

2

FEAR WADDELL, P.C.
Peter L. Fear, No. 207238
pfear@fearlaw.com
Gabriel J. Waddell, No. 256289
gwaddell@fearlaw.com
Peter A. Sauer, No. 255957
psauer@fearlaw.com
7650 North Palm Avenue, Suite 101
Fresno, California 93711
(559) 436-6575
(559) 436-6580 (fax)

Proposed Counsel for CAPITAL FARMS, INC.,
Debtor in Possession

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF CALIFORNIA - FRESNO DIVISION

In re:

CAPITAL FARMS, INC.,

Debtor and Debtor-in-Possession.

Case No. 25-10074-A-12

Chapter 12

D.C. No. FW-2

Preliminary Hearing

Date: January 16, 2025

Time: 9:30 a.m.

Place: Dept. A, Courtroom 11, 5th Floor

United States Courthouse

2500 Tulare St., Fresno, California

Judge: Hon. Jennifer E. Niemann

Final Hearing

Date: January 29, 2025

Time: 9:30 a.m.

Place: Dept. A, Courtroom 11, 5th Floor

United States Courthouse

2500 Tulare St., Fresno, California

Judge: Hon. Jennifer E. Niemann

EXHIBITS FOR MOTION FOR AUTHORITY TO USE CASH COLLATERAL

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

INDEX OF EXHIBITS

Exhibit	Title	Page No.
A	Cash Collateral Budget	3
B	2025 and 2026 Crop Projections	6

EXHIBIT

A

Cash Collateral Budget

	Acres	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25
Exhibit A									
Income									
Advance on 2025 Almond crop								150,000.00	300,000.00
Crop - Almonds - 2025 crop		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Crop - Almonds - 2024 Crop		700,580.50	0.00	450,000.00	450,000.00	450,000.00	337,500.00	135,000.00	0.00
Insurance Claim - Brewer		0.00	200,000.00	0.00	0.00	0.00	0.00	0.00	0.00
Insurance Claim - Baseline		0.00	48,360.00	0.00	0.00	0.00	0.00	0.00	0.00
Insurance Claim - Jamison		0.00	116,308.50	0.00	0.00	0.00	0.00	0.00	0.00
Insurance Claim - Brawley		0.00	157,870.00	0.00	0.00	0.00	0.00	0.00	0.00
FSA Payments - unknown		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Harvesting (outside)		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Income		\$ 700,580.50	\$ 522,538.50	\$ 450,000.00	\$ 450,000.00	\$ 450,000.00	\$ 337,500.00	\$ 285,000.00	\$ 300,000.00
Expenses									
Advertising & Marketing		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Bank Charges & Fees		60.00	60.00	60.00	60.00	0.00	10.00	200.00	95.00
Bees - Brewer	300.00	0.00	40,700.00	0.00	0.00	0.00	0.00	0.00	0.00
Bees - Senky	235.00	0.00	22,200.00	0.00	0.00	0.00	0.00	0.00	0.00
Bees - Baseline	150.00	0.00	14,800.00	0.00	0.00	0.00	0.00	0.00	0.00
Bees - Brawley	280.00	0.00	46,250.00	0.00	0.00	0.00	0.00	0.00	0.00
Bees - Jamison	150.00	0.00	37,000.00	0.00	0.00	0.00	0.00	0.00	0.00
Bees - Natomas	155.00	0.00	7,400.00	0.00	0.00	0.00	0.00	0.00	0.00
Car & Truck		5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	4,000.00	4,000.00	4,000.00
Chemicals/Fertilizer - Brewer	300.00	0.00	48,750.00	32,500.00	32,500.00	32,500.00	32,500.00	16,250.00	0.00
Chemicals/Fertilizer - Senky	235.00	0.00	38,187.50	25,458.33	25,458.33	25,458.33	25,458.33	12,729.17	0.00
Chemicals/Fertilizer - Baseline	150.00	0.00	24,375.00	16,250.00	16,250.00	16,250.00	16,250.00	8,125.00	0.00
Chemicals/Fertilizer - Brawley	280.00	0.00	45,500.00	30,333.33	30,333.33	30,333.33	30,333.33	15,166.67	0.00
Chemicals/Fertilizer - Jamison	150.00	0.00	24,375.00	16,250.00	16,250.00	16,250.00	16,250.00	8,125.00	0.00
Chemicals/Fertilizer - Natomas	155.00	0.00	25,187.50	16,791.67	16,791.67	16,791.67	16,791.67	8,395.83	0.00
Contractors		5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	0.00	0.00	0.00
Crop Insurance		0.00	0.00	0.00	30,000.00	0.00	0.00	0.00	0.00
DMV Fees		0.00	777.00	0.00	0.00	0.00	0.00	0.00	0.00
Dues & subscriptions		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Gas And Fuel		2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	3,500.00	3,500.00
Harvesting		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Insurance		901.00	0.00	1,802.00	0.00	0.00	7,395.35	925.00	0.00
Insurance - WC		1,000.00	1,000.00	1,000.00	1,000.00	250.00	1,000.00	1,000.00	1,000.00
Irrigation Supplies		0.00	2,000.00	0.00	0.00	0.00	0.00	0.00	0.00
Lease Payments - Brewer		130,000.00	0.00	0.00	0.00	0.00	0.00	130,000.00	0.00
Lease Payments - Baseline Rd - 157 acres		81,000.00	0.00	0.00	0.00	0.00	0.00	81,000.00	0.00
Lease - Senky		0.00	0.00	145,000.00	0.00	0.00	0.00	0.00	0.00
Lease - Brawley		148,960.00	7,500.00	7,500.00	7,500.00	7,500.00	7,500.00	148,960.00	7,500.00
Lease - Jamison		7,498.75	7,498.75	7,498.75	7,498.75	7,498.75	7,498.75	7,498.75	7,498.75
Lease - Natomas		19,500.00	19,500.00	19,500.00	19,500.00	19,500.00	19,500.00	19,500.00	19,500.00
Leasehold Imp- Brewer (Rabo)		0.00	110,000.00	0.00	0.00	0.00	0.00	0.00	110,000.00
Legal & Professional Services		0.00	0.00	0.00	0.00	5,000.00	0.00	0.00	0.00
Office Supplies & Software		0.00	0.00	500.00	0.00	0.00	0.00	0.00	0.00
Parts & Supply		1,500.00	1,500.00	1,500.00	1,500.00	375.00	375.00	375.00	375.00
Payroll Expenses		37,000.00	37,000.00	37,000.00	37,000.00	37,000.00	37,000.00	37,000.00	37,000.00
Payroll - Harvesting		0.00	0.00	0.00	0.00	2,500.00	0.00	30,000.00	30,000.00
Payroll Tax Expenses		3,000.00	3,000.00	3,000.00	3,000.00	2,500.00	3,700.00	6,700.00	6,700.00
PCA Fees		0.00	0.00	0.00	8,500.00	0.00	0.00	0.00	0.00
Property Taxes - Baseline		0.00	0.00	0.00	21,000.00	0.00	0.00	0.00	0.00
Property Taxes - Senky		0.00	0.00	0.00	10,000.00	0.00	0.00	0.00	0.00
Property Taxes - Brewer		0.00	0.00	0.00	10,000.00	0.00	0.00	0.00	0.00
Property Taxes - Natomas		0.00	0.00	0.00	68,000.00	10,000.00	0.00	0.00	0.00
Property taxes - Brawly		0.00	0.00	0.00	20,500.00	0.00	0.00	0.00	0.00
Property taxes - Jamison		0.00	0.00	0.00	9,000.00	0.00	0.00	0.00	0.00
Repairs & Maintenance		5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00
Taxes & Licenses		0.00	0.00	500.00	0.00	1,750.00	500.00	500.00	500.00
Utilities - Baseline		500.00	500.00	500.00	500.00	2,750.00	2,750.00	2,750.00	2,750.00
Utilities - Baseline (Jackson rd)		1,000.00	1,000.00	1,000.00	1,000.00	4,500.00	4,500.00	4,500.00	2,750.00
Utilities - Senky		1,250.00	1,250.00	1,250.00	1,250.00	2,500.00	2,500.00	2,500.00	4,500.00
Utilities - Brewer		1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00
Utilities - Natomas		750.00	750.00	750.00	750.00	0.00	0.00	0.00	0.00
Utilities - Brawly		7,000.00	7,000.00	7,000.00	7,000.00	12,500.00	12,500.00	5,500.00	5,500.00
Utilities - Jamison		2,500.00	5,500.00	5,500.00	5,500.00	11,500.00	11,500.00	11,500.00	11,500.00
Well Drilling - APN 017-130-051									
Baseline		0.00	0.00	0.00	0.00	158,150.00	0.00	0.00	0.00
Water Coalition Permit Fees		1,550.00	0.00	0.00	0.00	300.00	0.00	0.00	0.00
Yard Rental		300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00
Total Expenses		\$ 463,469.75	\$ 599,060.75	\$ 396,944.08	\$ 426,142.08	\$ 442,157.08	\$ 268,312.43	\$ 573,000.42	\$ 260,968.75
Accumulated Expenses		\$ 463,469.75	\$ 1,062,530.50	\$ 1,459,474.58	\$ 1,885,616.67	\$ 2,327,773.75	\$ 2,596,086.18	\$ 3,169,086.60	\$ 3,430,055.35
Net Operating Income		\$ 237,110.75	-\$ 76,522.25	\$ 53,055.92	\$ 23,857.92	\$ 7,842.92	\$ 69,187.57	-\$ 288,000.42	\$ 39,031.25
Cumulative net income		\$ 237,110.75	\$ 160,588.50	\$ 213,644.42	\$ 237,502.33	\$ 245,345.25	\$ 314,532.82	\$ 26,532.40	\$ 65,563.65

Capital Farms, Inc.
Cash Collateral Budget

	Exhibit A				
	Sep-25	Oct-25	Nov-25	Dec-25	Total
Income					
Advance on 2025 Almond crop	300,000.00				750,000.00
Crop - Almonds - 2025 crop	0.00	250,000.00	0.00	4,832,000.00	5,082,000.00
Crop - Almonds - 2024 Crop	0.00	0.00	0.00	0.00	2,523,080.50
Insurance Claim - Brewer	0.00	0.00	0.00	0.00	200,000.00
Insurance Claim - Baseline	0.00	0.00	0.00	0.00	48,360.00
Insurance Claim - Jamison	0.00	0.00	0.00	0.00	116,308.50
Insurance Claim - Brawley	0.00	0.00	0.00	0.00	157,870.00
FSA Payments - unknown	0.00	0.00	0.00	0.00	0.00
Harvesting (outside)	0.00	114,500.00	0.00	0.00	114,500.00
Total Income	\$ 300,000.00	\$ 364,500.00	\$ 0.00	\$ 4,832,000.00	\$ 8,242,119.00
Expenses					
Advertising & Marketing	0.00	0.00	1,000.00	0.00	1,000.00
Bank Charges & Fees	150.00	25.00	0.00	0.00	720.00
Bees - Brewer	0.00	0.00	0.00	0.00	40,700.00
Bees - Senky	0.00	0.00	0.00	0.00	22,200.00
Bees - Baseline	0.00	0.00	0.00	0.00	14,800.00
Bees - Brawley	0.00	0.00	0.00	0.00	46,250.00
Bees - Jamison	0.00	0.00	0.00	0.00	37,000.00
Bees - Natomas	0.00	0.00	0.00	0.00	7,400.00
Car & Truck	4,000.00	4,000.00	4,000.00	4,000.00	53,000.00
Chemicals/Fertilizer - Brewer	0.00	0.00	0.00	0.00	195,000.00
Chemicals/Fertilizer - Senky	0.00	0.00	0.00	0.00	152,750.00
Chemicals/Fertilizer - Baseline	0.00	0.00	0.00	0.00	97,500.00
Chemicals/Fertilizer - Brawley	0.00	0.00	0.00	0.00	182,000.00
Chemicals/Fertilizer - Jamison	0.00	0.00	0.00	0.00	97,500.00
Chemicals/Fertilizer - Natomas	0.00	0.00	0.00	0.00	100,750.00
Contractors	0.00	15,000.00	15,000.00	15,000.00	70,000.00
Crop Insurance	0.00	0.00	0.00	0.00	30,000.00
DMV Fees	0.00	0.00	0.00	0.00	777.00
Dues & subscriptions	0.00	0.00	1,575.00	0.00	1,575.00
Gas And Fuel	2,200.00	2,200.00	2,200.00	2,200.00	29,000.00
Harvesting	35,000.00	35,000.00	35,000.00	0.00	105,000.00
Insurance	7,589.90	925.00	5,250.00	0.00	24,788.25
Insurance - WC	1,000.00	1,000.00	1,000.00	1,000.00	11,250.00
Irrigation Supplies	0.00	0.00	0.00	0.00	2,000.00
Lease Payments - Brewer	0.00	0.00	0.00	0.00	260,000.00
Lease Payments - Baseline Rd - 157 acres	0.00	0.00	0.00	0.00	162,000.00
Lease - Senky	145,000.00	0.00	0.00	0.00	290,000.00
Lease - Brawley	7,500.00	7,500.00	7,500.00	7,500.00	372,920.00
Lease - Jamison	7,498.75	7,498.75	7,498.75	7,498.75	89,985.00
Lease - Natomas	19,500.00	19,500.00	19,500.00	19,500.00	234,000.00
Leasehold Imp- Brewer (Rabo)	0.00	0.00	0.00	0.00	220,000.00
Legal & Professional Services	0.00	0.00	0.00	0.00	5,000.00
Office Supplies & Software	0.00	0.00	0.00	0.00	500.00
Parts & Supply	375.00	375.00	375.00	375.00	9,000.00
Payroll Expenses	37,000.00	37,000.00	37,000.00	37,000.00	444,000.00
Payroll - Harvesting	30,000.00	0.00	0.00	0.00	92,500.00
Payroll Tax Expenses	6,700.00	3,700.00	3,700.00	3,700.00	49,400.00
PCA Fees	0.00	0.00	0.00	0.00	8,500.00
Property Taxes - Baseline	0.00	0.00	0.00	10,000.00	31,000.00
Property Taxes - Senky	0.00	0.00	0.00	21,000.00	31,000.00
Property Taxes - Brewer	0.00	0.00	10,000.00	10,000.00	30,000.00
Property Taxes - Natomas	0.00	0.00	17,000.00	0.00	95,000.00
Property taxes - Brawly	0.00	0.00	20,500.00	0.00	41,000.00
Property taxes - Jamison	0.00	0.00	9,000.00	0.00	18,000.00
Repairs & Maintenance	5,000.00	5,000.00	5,000.00	5,000.00	60,000.00
Taxes & Licenses	500.00	500.00	500.00	500.00	5,750.00
Utilities - Baseline	1,750.00	1,750.00	500.00	500.00	17,500.00
Utilities - Baseline (Jackson rd)	2,750.00	2,750.00	1,250.00	1,000.00	28,000.00
Utilities - Senky	4,500.00	4,500.00	2,500.00	0.00	28,500.00
Utilities - Brewer	2,500.00	1,500.00	1,500.00	1,500.00	15,000.00
Utilities - Natomas	750.00	750.00	1,000.00	1,000.00	6,500.00
Utilities - Brawly	5,500.00	5,500.00	5,500.00	5,500.00	86,000.00
Utilities - Jamison	5,500.00	5,500.00	3,500.00	2,500.00	82,000.00
Well Drilling - APN 017-130-051					
Baseline	0.00	0.00	0.00	0.00	158,150.00
Water Coalition Permit Fees	0.00	0.00	0.00	0.00	1,850.00
Yard Rental	300.00	300.00	300.00	300.00	3,600.00
Total Expenses	\$ 332,563.65	\$ 161,773.75	\$ 218,648.75	\$ 156,573.75	\$ 4,299,615.25
Accumulated Expenses	\$ 3,762,619.00	\$ 3,924,392.75	\$ 4,143,041.50	\$ 4,299,615.25	
Net Operating Income	-\$ 32,563.65	\$ 202,726.25	-\$ 218,648.75	\$ 4,675,426.25	\$ 3,942,503.75
Cumulative net income	\$ 33,000.00	\$ 235,726.25	\$ 17,077.50	\$ 4,692,503.75	

EXHIBIT B

Capital Farms, Inc.
2025 2026 Crop Projections

Acres in Production	Proj 2025		Proj 2026		Revenue		Farming
	lbs/acre	Production	Price/lb	Total	\$/Acre	Costs/Acre	
300	Brewer	2,200	660,000	\$ 2.25	\$ 1,485,000	\$ 4,950.00	3315.52
155	Natomas	1,500	232,500	\$ 2.25	\$ 523,125	\$ 3,375.00	3315.52
235	Sankey	1,700	399,500	\$ 2.25	\$ 898,875	\$ 3,825.00	3315.52
150	Jameson	2,500	375,000	\$ 2.25	\$ 843,750	\$ 5,625.00	3315.52
150	Baseline	1,500	225,000	\$ 2.25	\$ 506,250	\$ 3,375.00	3315.52
280	Brawley	2,500	700,000	\$ 2.25	\$ 1,575,000	\$ 5,625.00	3315.52
1270		2,041	2,592,000		\$ 5,832,000		
	Proj 2026	Proj 2026			Revenue	Farming	
	lbs/acre	Production	Price/lb	Total	\$/Acre	Costs/Acre	
300	Brewer	2,300	690,000	\$ 2.25	\$ 1,552,500	\$ 5,175.00	3315.52
155	Natomas	1,800	279,000	\$ 2.25	\$ 627,750	\$ 4,050.00	3315.52
235	Sankey	2,000	470,000	\$ 2.25	\$ 1,057,500	\$ 4,500.00	3315.52
150	Jameson	2,500	375,000	\$ 2.25	\$ 843,750	\$ 5,625.00	3315.52
150	Baseline	1,800	270,000	\$ 2.25	\$ 607,500	\$ 4,050.00	3315.52
280	Brawley	2,500	700,000	\$ 2.25	\$ 1,575,000	\$ 5,625.00	3315.52
1270		2,192	2,784,000		\$ 6,264,000		